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**FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY**

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July 24, 1997

Mr. William F. Caton
Secretary
Federal Communications Commission
Room 222
1919 M Street, N.W.
Washington, D.C. 20554

**Re: Local Exchange Carriers' Rates Terms, and Conditions for Expanded
Interconnection Through Physical Collocation for Special Access and
Switched Transport, CC Docket No. 93-162**

Dear Mr. Caton:

Enclosed herewith for filing are the original and four (4) copies of MCI Telecommunications Corporation's Opposition regarding the above-captioned matter.

Please acknowledge receipt by affixing an appropriate notation on the copy of the MCI Opposition furnished for such purpose and remit same to the bearer.

Sincerely yours,

Don Sussman
Regulatory Analyst

Enclosure
DHS

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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

ORIGINAL

In the Matter of:)
)
Local Exchange Carriers' Rates)
Terms, and Conditions for) CC Docket No. 93-162
Expanded Interconnection Through)
Physical Collocation for Special)
Access and Switched Transport)

MCI OPPOSITION OF
AMERITECH'S PETITION FOR PARTIAL RECONSIDERATION

I. INTRODUCTION

MCI Telecommunications Corporation ("MCI") respectfully submits its Opposition to the Petition for Partial Reconsideration filed by Ameritech in the above-referenced proceeding on July 14, 1997. In that petition, Ameritech requests that the Commission reconsider the portion of its Physical Collocation Order¹ which finds that the overhead loading factors reflected in Ameritech's 1994 rates for physical collocation services are unjust and unreasonable and requires Ameritech to refund a corresponding portion of the rates charged for physical collocation service between December 15, 1994 and the date Ameritech discontinued providing physical collocation service.

¹ In the Matter of Local Exchange Carriers' Rates, Terms, and Conditions for Expanded Interconnection Through Physical Collocation for Special Access and Switched Transport, CC Docket No. 93-162, Second Report and Order, FCC 97-208 (released June 3, 1997) (Physical Collocation Order).

In the Special Access Expanded Interconnection Order,² the Commission determined that local exchange carriers (LECs) may not recover, in charges for physical collocation, a share of overhead costs greater than they recover in charges for comparable services.³ The Commission reaffirmed this standard in the Virtual Collocation Order.⁴ In the Physical Collocation Order, the Commission determined that Ameritech applied overhead loadings to physical collocation services that exceeded the level that it applied to comparable access services.⁵

In its Petition for Partial Reconsideration, Ameritech argues that the Commission should base its analysis of the overhead loadings Ameritech applies to comparable access services on information filed in a different proceeding (CC Docket No. 94-97). Procedurally this is incorrect. The Commission was correct to make its decision based on the information filed in the instant proceeding, CC Docket No. 93-162.

Furthermore, Ameritech's petition is misleading in that the Commission has not

² Expanded Interconnection with Local Telephone Company Facilities, CC Docket No. 91-141, Report and Order and Notice of Proposed Rulemaking, 7 FCC Rcd at 7429 (1992) (Special Access Expanded Interconnection Order).

³ In the Physical Collocation Order, the Commission determined that the LECs' point-to-point DS1 and DS3 special access and switched transport services, including channel termination services offered without interoffice mileage, are comparable LEC physical collocation.

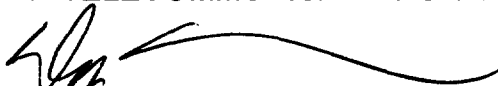
⁴ Expanded Interconnection with Local Telephone Company Facilities, CC Docket No. 91-141, Memorandum Opinion and Order, 9 FCC Rcd 5154 (1994) (Virtual Collocation Order).

⁵ Based on information provided by Ameritech in this proceeding, the Commission determined that Ameritech applied overhead loading of 1.18 to its comparable DS1 access services, and overhead loadings ranging between 1.0 and 1.25 to its comparable DS3 access services.

concluded that an overhead loading of 1.58 complies with the Commission's overhead loading standard. Ameritech quotes the Commission as stating that its "overhead loadings appear to comport with the Commission's overhead loading standard."⁶ However, Ameritech fails to read the next sentence which states that the Commission makes "...this latter conclusion on the an interim basis because, depending on what is contained in additional materials that may be in the record after we resolve the confidentiality issue, our conclusion could be different."⁷ The Commission has examined the data filed in CC Docket No. 93-162 and has concluded, based on this additional data, that the overhead loadings used by Ameritech were unreasonable.

Ameritech has provided no new information in its petition demonstrating that 1.58 is the correct overhead loading that should be applied to its collocation services. Consequently, its petition for partial reconsideration should be denied.

Respectfully submitted,
MCI TELECOMMUNICATIONS CORPORATION



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July 24, 1997

⁶ In the Matter of Local Exchange Carriers' Rates, Terms and Conditions for Expanded Interconnection Through Virtual Collocation of Special Access and Switched Transport, CC Docket No. 94-97, Phase I, Report and Order, FCC Rcd 95-200 (Released May 11, 1995) at ¶97.

⁷ Id.

STATEMENT OF VERIFICATION

I have read the foregoing and, to the best of my knowledge, information, and belief, there is good ground to support it, and it is not interposed for delay. I verify under penalty of perjury that the foregoing is true and correct. Executed on July 24, 1997.

A handwritten signature in black ink, consisting of a stylized 'D' followed by a long horizontal stroke.

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CERTIFICATE OF SERVICE

I, Barbara Nowlin, do hereby certify that copies of the foregoing Opposition were sent via first class mail, postage paid, to the following on this 24th day of July.

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